DECLASSIFIED AND RELEASED BY CENTRAL INTELLIBENCE ABENCY SOURCES METHODS EXEMPTION 3028 NAZI WAR CRIMES DISCLOSURE ACT

COPY

AIR

PRIORITY

BONN 5525 74-6-63 74-6-130

22 JAN 1958

Chief of Base, Munich ATTN: Chief,

INFO: COS/G

Operational/LCIMPROVE/REDWOOD/ARSATH

Status of AECAPELIN-1

EGMW-4322, 28 June 1957 B. DIR-37973, September 1957

Action Required: In accordance with paragraph 5 below, discuss with AECAPELIN-1 his future with AIS, obtain from him his recommendations, and cable the results to Headquarters.

- 1. Paragraph III B (page 4-5) of Reference "A" spells out succinctly the Headquarters position on the futuer utilization of AECAPELIN-1; to date, however, there has been no positive indication from you as to your intentions in respect to this man's future. You will agree that from the security point of view, ADCAPELIN-1 has almost outlived his usefulness in the Munich area, as the operational correspondence bears out. Consequently, transferring him to another area is both operational good sense and moral propriety, since his continued intelligence activity in Munich can result only in his being completely compromised which - for a man of his calling - could have lasting repercussions. In addition, we have been informed by the approving authorities that the AEDATH project will not be approved after the expiration of the present term unless the agent is transferred out of Munich; the only alternative to transfer is termination.
- 2. During the years of Subject's cooperation with us, he has proven himself to be an exceptionally gifted agent in the field of his endeavor and we would be loath to lose him. Accordingly, we feel that only two possibilities should be considered: his transfer to another area, or his imigration to PBPRIME for a cooling-off period and a later reassignment to whatever area his talents might best be exploited.
- 3. In regard to his transfer we have considered all the geographic areas and discarded - for one or another reason - all but the capitals of ve tentatively explored here the possibility western Europe. Of these,



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of Subject's transfer to Paris with the result that the appropriate Desk would be willing to take this matter up with the Obviously no committeent has been, nor any would be, made until after ASCAPELIN-1 has been consulted and his preference ascertained.

4. We have also considered Subject's transfer within Germany but have discarded such a course due to the fact that as long as Subject remains in Germany it can be expected that UPS: ING control over him will probably continually tighten, perhaps even to the point of his having to admit the depth of his committment to KUBARK.

In view of all above, we request that you take up this extire matter 5. In view of all above, we request that you cake up with ARCAPELIN-1 at the earliest opportunity and obtain from him his opinions he feels there are sufficient on at least three places in western Europe where he feels there are sufficiently large communities of Ukrainians to make it worthwhile for him to operate there; these areas should, of course, be in accordance with his preference and should be places to which he could go under natural cover. He should further be assured that if he for some reason desires to "retire" from the active agent role, he may do so and steps will be taken to help him immigrate. It is further requested that you cable the results of your conversations so that we could institute the proper action from here to effect the transfer. As undoubtedly you realize, such moves are more easily conceived than accomplished. In line with this, please make clear to Subject that his choices will be given serious consideration, but that there can be no assurance that he will, indeed, be transferred in accordance with his wishes. Should this, however, be the case, we will help him immigrate and - in accordance with his desires - either terminate him or keep him on "ice" until an acceptable spot materializes.

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